



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

(C-570-978)

High Pressure Steel Cylinders From the People's Republic of China: Countervailing Duty Order

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the "Department") and the International Trade Commission ("ITC"), the Department is issuing a countervailing duty order on high pressure steel cylinders ("steel cylinders") from the People's Republic of China ("PRC").

EFFECTIVE DATE: [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: David Layton or Christopher Siepmann, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0371 and (202) 482-7958, respectively.

Background

On May 7, 2012, the Department published its final determination in the countervailing duty investigation of steel cylinders from the PRC. See High Pressure Steel Cylinders From the People's Republic of China: Final Affirmative Countervailing Duty Determination, 77 FR 26738 (May 7, 2012).

On June 14, 2012, the ITC notified the Department of its final determination pursuant to section 705(b)(1)(A)(i) of the Tariff Act of 1930, as amended ("the Act"), that an industry in the

United States is materially injured by reason of subsidized imports of subject merchandise from the PRC. See High Pressure Steel Cylinders From China, USITC Pub. 4328, Investigation Nos. 701-TA-480 and 731-TA-1188 (Final) (June 2012).

Scope of the Order

The merchandise covered by the scope of the order is seamless steel cylinders designed for storage or transport of compressed or liquefied gas ("high pressure steel cylinders"). High pressure steel cylinders are fabricated of chrome alloy steel including, but not limited to, chromium-molybdenum steel or chromium magnesium steel, and have permanently impressed into the steel, either before or after importation, the symbol of a U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration ("DOT")-approved high pressure steel cylinder manufacturer, as well as an approved DOT type marking of DOT 3A, 3AX, 3AA, 3AAX, 3B, 3E, 3HT, 3T, or DOT-E (followed by a specific exemption number) in accordance with the requirements of sections 178.36 through 178.68 of Title 49 of the Code of Federal Regulations, or any subsequent amendments thereof. High pressure steel cylinders covered by these orders have a water capacity up to 450 liters, and a gas capacity ranging from 8 to 702 cubic feet, regardless of corresponding service pressure levels and regardless of physical dimensions, finish or coatings.

Excluded from the scope of the order are high pressure steel cylinders manufactured to U-ISO-9809-1 and 2 specifications and permanently impressed with ISO or UN symbols. Also excluded from the order are acetylene cylinders, with or without internal porous mass, and permanently impressed with 8A or 8AL in accordance with DOT regulations.

Merchandise covered by the order is classified in the Harmonized Tariff Schedule of the

United States (“HTSUS”) under subheading 7311.00.00.30. Subject merchandise may also enter under HTSUS subheadings 7311.00.00.60 or 7311.00.00.90. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under the order is dispositive.

Countervailing Duty Order

In accordance with section 705(d) of the Act, the ITC has notified the Department of its final determination that the industry in the United States producing steel cylinders is materially injured by reason of subsidized imports of steel cylinders from the PRC. Therefore, in accordance with section 705(c)(2) of the Act, we are publishing this countervailing duty order.

As a result of this order, countervailing duties will be assessed on all unliquidated entries of steel cylinders from the PRC entered, or withdrawn from warehouse, for consumption on or after October 18, 2011, the date on which the Department published its preliminary affirmative countervailing duty determination in the Federal Register,¹ and before February 15, 2012, the date the Department instructed U.S. Customs and Border Protection (“CBP”) to discontinue the suspension of liquidation in accordance with section 703(d) of the Act. Section 703(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than four months. Therefore, entries of steel cylinders made on or after February 15, 2012, and prior to the date of publication of the ITC’s final determination in the Federal Register are not liable for the assessment of countervailing duties due to the

¹ See High Pressure Steel Cylinders From the People’s Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination, 76 FR 64301 (October 18, 2011).

Department's discontinuation, effective February 15, 2012, of the suspension of liquidation.

In accordance with section 706 of the Act, the Department will direct CBP to reinstitute the suspension of liquidation for steel cylinders from the PRC, effective the date of publication of the ITC's notice of final determination in the Federal Register and to assess, upon further advice by the Department pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise as noted below.

Exporter/Manufacturer	Net Subsidy Rate
Beijing Tianhai Industry Co., Ltd.; Tianjin Tianhai High Pressure Container Co., Ltd.; Langfang Tianhai High Pressure Container Co., Ltd.	15.81%
All-Others	15.81%

This notice constitutes the countervailing duty order with respect to steel cylinders from the PRC, pursuant to section 706(a) of the Act. Interested parties may contact the Department's Central Records Unit, Room 7046 of the main Commerce Building, for copies of an updated list of countervailing duty orders currently in effect.

This order is issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Paul Piquado
Assistant Secretary
for Import Administration

June 18, 2012__
(Date)

[FR Doc. 2012-15295 Filed 06/20/2012 at 8:45 am; Publication Date: 06/21/2012]